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FORSYTH CO, NC FEE \$26.00

PRESENTED & RECORDED

10-07-2014 03:42:37 PM

C. NORMAN HOLLEMAN

REGISTER OF DEEDS
BY: LORI HOLLOWAY

DPT

BK: RE 3200

PG: 613-616

Instrument prepared by and record and return to:
CONN APPLIANCES, INC.
4055 Technology Blvd.
Suite 210
The Woodlands, TX 77381
Attention: Corporate General Counsel

Return to: Wyatt Early Harris Wheeler, LLP (David N.
Woods) PO Drawer 2086, High Point, NC 27261

ENVELOPE

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") made as of October 7, 2014, by and between **CONN APPLIANCES, INC.**, a Texas corporation ("Tenant"), and **PAVILION WINSTON-SALEM, LLC**, a North Carolina limited liability company ("Landlord").

WITNESSETH:

1. Premises. Landlord and Tenant have entered into a lease ("Lease") dated Sept. 26, 2014, for that certain premises containing approximately 45,000 square feet ("Premises") being and situated on the north side of Hanes Mall Boulevard at its intersection with Oxford Station Lane in the City of Winston-Salem, Forsyth County, North Carolina. The Premises are located on that certain parcel of land (the "Landlord's Parcel") identified as "Parcel C", containing approximately 4.972 acres, on that certain subdivision plat (the "Plat") entitled "Final Subdivision Plat For: Pavilion Winston-Salem," prepared by Stantec Consulting Services Inc., dated May 16, 2014, and recorded in Plat Book 62, Pages 104-106 of the Forsyth County Public Registry.

2. Term and Renewal Options. The Lease has an initial term of twelve (12) years, subject to extension (at Tenant's option) as provided therein for four (4) successive additional periods of five (5) years each.

3. Exclusive. Landlord has agreed that so long as Tenant is open and operating the Premises as a typical Conn's or Conn's HomePlus retail store (excluding any closures as a result of damage and destruction, eminent domain or other circumstances beyond Tenant's reasonable control), and is not in continuing monetary default beyond any applicable notice and cure periods under the Lease, Tenant shall have the exclusive right (the "Tenant's Exclusive Use") to sell the Tenant's Exclusive Product Categories (as defined below) within the Additional Parcels (as defined below); provided, that the Tenant's Exclusive Use shall not apply to the following: (a) the use by an Occupant (as defined below) of a Restricted Parcel of the lesser of (i) ten percent (10%) of its floor area or (ii) five hundred (500) feet of its floor area for the sale of any of the Tenant Exclusive Product Categories; (b) any lease for space in a Restricted Parcel that was executed prior to the Effective Date of this Lease (each, a "Prior Lease"); (c) any renewal, extension or restatement of such Prior Lease, so long as the use of the parcel subject thereto does not change from that permitted under the Prior Lease; (d) any owner or occupant of Parcel A of the Additional Parcels; and (e) the sale of mattresses shall be permitted on Outparcel 5 of the Additional Parcels.

For purposes of Section 3 of this Memorandum, the following terms shall have the following meanings:

(a) "Additional Parcels" means, collectively, the following parcels as each is identified on the Plat: (i) Parcel A; (ii) Parcel B; (iii) Outparcel 1; (iv) Outparcel 2; (v) Outparcel 3; (vi) Outparcel 4; and (vii) Outparcel 5.

(b) "Occupant" means any person, firm, corporation, association or other legal entity entitled to occupy a portion or portions of the Additional Parcels as an owner or under and pursuant to a bona fide lease or other bona fide arrangement with the owner of such Additional Parcel.

(c) "Restricted Parcel" means any of the Additional Parcels that is owned by Landlord from time to time.

(d) "Tenant's Exclusive Product Categories" means, collectively, the following: audio equipment, televisions, household appliances, furniture, mattresses, and any substitutes for or items which are a technological evolution of the listed items.

4. Incorporation of Lease. With the exception of Section 4 above, this Memorandum is for informational purposes only and nothing contained herein shall be deemed to in any way modify or otherwise affect any of the terms and conditions of the Lease, the terms of which are incorporated herein by reference. This instrument is merely a memorandum of the Lease and is subject to all of the terms, provisions and conditions of the Lease. In the event of any inconsistency between the terms of the Lease and this instrument, the terms of the Lease shall prevail.

5. Binding Effect. The rights and obligations set forth herein shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns (if, and to the extent, permitted under the Lease).

6. Termination and Release. The Memorandum shall automatically terminate without any further action upon the expiration or earlier termination of the Lease. Tenant acknowledges that Landlord shall have the right and authority to execute and record a release of this Memorandum upon the expiration or termination of the Lease.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the day and year first above written.

LANDLORD:

PAVILION WINSTON-SALEM, LLC,
a North Carolina limited liability company

By: Pavilion Management Company, its manager

By: 

Name: Thomas Gauch

Title: Vice President

STATE OF NORTH CAROLINA

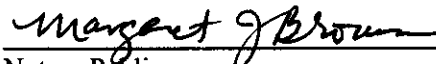
COUNTY OF MECKLENBURG

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document:

Thomas Gauch

(insert name(s) of those signing)

Witness my hand and official stamp or seal this 25 day of September, 2014.



Notary Public

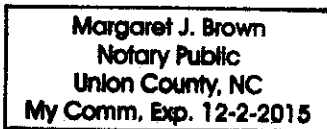
Margaret J. Brown

Notary's printed or typed name

[Note: Notary Public must sign exactly as on notary seal]


My Commission Expires: 12-2-2015

[NOTARY SEAL] (MUST BE FULLY LEGIBLE)



TENANT:

CONN APPLIANCES, INC.,
a Texas corporation

By: 
Name: Don Welch
Title: Vice President

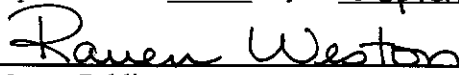
STATE OF Texas

COUNTY OF Montgomery

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that the he or she voluntarily signed the foregoing document:

Don Welch
(insert name(s) of those signing)

Witness my hand and official stamp or seal this 26th day of September, 2014.


Notary Public

Raven Weston
Notary's printed or typed name
[Note: Notary Public must sign exactly as on notary seal]

My Commission Expires: 09-11-2017

[NOTARY SEAL] (MUST BE FULLY LEGIBLE)

